

## CHAPTER 9 TAXATION OF MOTOR FUEL CONSUMED BY INTERSTATE BUSES

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### 900 GENERAL PROVISIONS

- 900.1 The provisions of this chapter are adopted under authority of title 1, §103 of Public Law 89-11, approved April 14, 1965, the "Compact on Taxation of Motor Fuels Consumed by Interstate Buses" (also referred to in this chapter as the "Act"), D.C. Code §47-2301 footnote.
- 900.2 Each carrier shall pay to the District motor fuel taxes equivalent to the tax per gallon multiplied by the number of gallons used by the carrier in its operations in the District, as provided by the Act.
- 900.3 When used in this chapter, the term "Deputy Chief Financial Officer" shall mean the Deputy Chief Financial Officer of the Office of Tax and Revenue ("Office"), or his or her lawfully appointed agent, representative, or designee.
- 900.4 The words, terms, and phrases defined in the Act, and the definition of "motor vehicle fuels" in D.C. Code §47-2302(2), shall have the same meanings when used in this chapter, unless otherwise required by the context of this chapter.
- 900.5 For the purposes of this chapter, the following definitions are also applicable:
- (a) The term "carrier" means a bus owner or operator subject to the payment of motor fuel taxes to the District of Columbia under the Act and chapter 8 of this title;
  - (b) The term "operations" means the movement of any bus whether the bus is loaded or empty, whether it is moved for compensation or not for compensation, and whether the bus is owned by or leased to the person who operates it or causes it to be operated; and

- (c) The term "tax per gallon" means a tax at the rate imposed under the District of Columbia Motor Fuel Tax Act (See chapter 8).

**AUTHORITY:** Unless otherwise noted, the authority for this chapter is title 1, §103 of Public Law 89-11, approved April 14, 1965, the "Compact on Taxation of Motor Fuels Consumed by Interstate Buses," D.C. Code §47-2301 (1981 Ed.).

**SOURCE:** Commissioners' Order 66-1004 effective July 14, 1966, 13 DCR 27 (August 1, 1966), 16 DCRR §§100.1, 100.2.

**EDITOR'S NOTE:** The Office of the Chief Financial Officer of the District of Columbia published a Notice of Public Interest at 44 DCR 2345 (April 18, 1997) changing the name of the "Department of Finance and Revenue" to the "Office of Tax and Revenue."

## **901 MAINTENANCE OF RECORDS BY CARRIERS**

- 901.1 Each carrier shall keep those records which are required to be kept by the Deputy Chief Financial Officer, and shall preserve all records required under this section for a period of three (3) years.
- 901.2 The Deputy Chief Financial Officer may consent to the destruction of records before the expiration of the three (3) year period under §901.1. Application for early destruction of records shall be in writing to the Deputy Chief Financial Officer and shall state the reasons for the request.
- 901.3 Records kept under this section shall be open for inspection by the Deputy Chief Financial Officer during regular business hours.

**SOURCE:** Commissioners' Order 66-1004 effective July 14, 1966, 13 DCR 27 (August 1, 1966), 16 DCRR §100.9.

## **902 REPORTS AND PAYMENT OF TAX**

- 902.1 Each carrier shall keep accurate and complete records of the following:
- (a) The number of miles traveled in all operations both within and without the District;
  - (b) The number of miles traveled within the District; and
  - (c) The amount of motor fuel used propelling the motor vehicle both within and outside the District.
- 902.2 On or before the last business day of each month, each carrier shall file a motor fuel report on the activities of the previous month on forms to be furnished by the Deputy Chief Financial Officer.
- 902.3 If the report shows an amount owed to the District after taking a credit pursuant to §903, the carrier shall pay the amount of tax due at the time the report is filed.
- 902.4 If the final date falls on a Saturday, Sunday, or legal holiday in the District, the next business day shall be the final date for filing of the report and for paying any tax due.



- 902.5 Each report and payment of tax shall be considered filed and paid on time if mailed postage prepaid in an envelope properly addressed to the Deputy Chief Financial Officer that is postmarked by the Post Office Department before midnight of the final filing date.
- 902.6 The Deputy Chief Financial Officer may enter into agreements with appropriate authorities in states party to the compact for the cooperative audit of carriers' reports filed under the act.

SOURCE: Commissioners' Order 66-1004 effective July 14, 1966, 13 DCR 27 (August 1, 1966), 16 DCRR §100.3.

### 903 CREDIT AND REFUND

- 903.1 Each carrier shall be entitled to a credit equivalent to the total amount of tax per gallon on all motor fuel purchased by that carrier within the District and used in operations either within or outside the District, and upon which the motor fuel tax imposed under the District of Columbia Motor Fuel Tax Act has been paid.
- 903.2 In support of the credit claimed, the carrier shall provide evidence of the payment of the tax paid on motor fuel purchased in the District consisting of invoices of the vendor satisfactory to the Deputy Chief Financial Officer.
- 903.3 The original invoice shall be required; Provided, that a copy of an invoice may be used in case of credit card purchases.
- 903.4 In order to further substantiate the credit claim, the Deputy Chief Financial Officer is authorized to require a sworn affidavit from the vendor stating that the vendor has sold the specified number of gallons of motor fuel to the carrier and that the motor fuel tax on the fuel has been paid.
- 903.5 If the amount of the credit to which any carrier is entitled for any month exceeds the amount of the motor fuel tax for which that carrier is liable for the same month, the Deputy Chief Financial Officer shall refund the excess.

SOURCE: Commissioners' Order 66-1004 effective July 14, 1966, 13 DCR 27 (August 1, 1966), 16 DCRR §100.4.

### 904 BOND FOR PAYMENT OF TAX

- 904.1 The Deputy Chief Financial Officer may in his discretion require a carrier to file a bond in the form to be prescribed by the Deputy Chief Financial Officer, in a sum approximating twelve (12) times the average monthly motor fuel tax paid by the carrier on purchases of motor fuel from suppliers of motor fuel in the District during the preceding twelve (12) months.
- 904.2 The bond shall be payable to the District of Columbia, and executed by a surety company licensed to do business in the District.
- 904.3 The condition of each bond shall be that the carrier will pay all taxes due and to become due, including all penalties, under the Act and this chapter from the date of the bond to thirty (30) days after either the carrier or the surety notifies the

Deputy Chief Financial Officer that the bond has been canceled; Provided, that in no case shall the bond be less than one thousand dollars (\$1,000) or more than seventy-five thousand dollars (\$75,000).

SOURCE: Commissioners' Order 66-1004 effective July 14, 1966, 13 DCR 27 (August 1, 1966), 16 DCRR §100.5.

## **905 DETERMINATION OF TAX**

- 905.1 In the absence of records showing the number of miles actually operated per gallon of motor fuel, it shall be conclusively presumed that the average mileage so operated by the bus in all operations, within or without the District, during the tax period, was four (4) miles per gallon.
- 905.2 If a report required to be filed under the Act is not filed, or if a report when filed is incorrect or insufficient, the amount of tax due shall be determined by the Deputy Chief Financial Officer from such information as may be obtainable. Written notice of the determination shall be mailed to the taxpayer by registered mail or by certified mail.
- 905.3 A determination under §905.2 shall finally and irrevocably fix the tax unless the person against whom it is assessed applies in writing to the Deputy Chief Financial Officer for a hearing within thirty (30) days after the mailing date of the notice of the determination; or unless the Deputy Chief Financial Officer, on his or her own motion, redetermines the amount.
- 905.4 After a hearing or redetermination, the Deputy Chief Financial Officer shall give notice of the final determination to the person against whom the tax is assessed.

SOURCE: Commissioners' Order 66-1004 effective July 14, 1966, 13 DCR 27 (August 1, 1966), 16 DCRR §§100.6, 100.7.

## **906 ENFORCEMENT AND PENALTIES**

- 906.1 Any person violating any provision of this chapter shall, upon conviction, be punished by a fine of not more than three hundred dollars (\$300), or imprisonment for not more than ten (10) days, or both.
- 906.2 Any person who, for the purpose of obtaining or attempting to obtain or to assist any other person to obtain or attempt to obtain a credit or refund or reduction of liability for taxes under the Act or this chapter, wilfully and knowingly makes a false statement orally or in writing or in the form of a receipt for the sale of motor fuel, shall be guilty of a misdemeanor and, upon conviction, shall be punished by a fine of not more than three hundred dollars (\$300) or by imprisonment for not more than ten (10) days, or both.
- 906.3 If any persons fails, refuses, or neglects to file a monthly report as required in this chapter or to pay the tax within the time required by this chapter, there shall be added to the tax an amount equal to the sum of twenty percent (20%) of the amount of the tax.

SOURCE: Commissioners' Order 66-1004 effective July 14, 1966, 13 DCR 27 (August 1, 1966), 16 DCRR §100.8.

**907        MOTOR FUEL SOLD TO THE UNITED STATES GOVERNMENT OR  
GOVERNMENTS AND AGENCIES OF FOREIGN COUNTRIES**

907.1      The provisions of §807 of Chapter 8 of this title shall apply to sales of motor fuel under this chapter.

907.2      The provisions of §808 of Chapter 8 of this title shall apply to sales of motor fuel under this chapter.

SOURCE: Administrative Ruling No. 1 - Motor Fuel Tax (October 21, 1969).

